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Skeptical about Family Business: Advancing the Field of Family Business in its Scholarship, Relevance, and Academic Role

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"I'm skeptical of the moon above,
But I'm not skeptical about love."

Skeptical Shuffle, lyrics by Kim Carnes, © Appian Music Co., Almo Music Corp.

Introduction

Less polemical authors have published useful overviews of scholarship and institutional development in family business (Chrisman et al., 2010; Heck et al., 2008; Schulze & Gedajlovic, 2010; Sharma, 2004). I take this as license for hyperbole. In such a vein I am skeptical eight times over: that the field can be objective, that it can be defined, that "family business" is the right label, that it will find useful theories, that kinship exists, that if it does exist (all right, I do believe it does) we really observe it in action, that the field can progress without regressing, that it can be relevant, and that it can find its niche in universities. "Skeptical" has a nice ring to it. I confess, though, that my concerns are worries more than a lack of willingness to believe. After all, I hope that the papers in this volume will goad us into avoiding pitfalls as the field develops.

1. Skeptical about objectivity

Those in the vanguard of a new academic field can be tempted to advocate not only for its scholarship but also its subject matter. But let's not assume that the involvement of "family" in business renders it consequently better – or worse. "Family" is a "politically or ideologically 'loaded'" term (Pine, 1996: 223; also Creed, 2000). Its ideological influence is exerted outside the family, in areas such as tax policy (Graetz & Shapiro, 2005) and internally in the power relations of families and firms (Viazzo & Lynch, 2002). Family members who are female, young, affiliated with lesser branches, or critical of their family's ideology might be surprised to learn from some of us just how altruistic and ethically superior are family firms – or families (Al-Krenawi & Graham, 1999; Greenhalgh, 1994). As Peletz 2001: 423, 435) observed, there is great variation in the "emotional tenor (feeling tones)" experienced in different kinship relationships.

Let's also not change our theories about family firms based only on recent observations. "A generation or so ago," Whyte (1996: 2) observes, "it was widely accepted that the Chinese family system posed a major obstacle to economic development. In contrast, it is now often argued that the Chinese family is a veritable engine of growth." Let's not forget why the former view held sway. It is simplistic to label China "Confucian" but my point can be made with little exaggeration by quoting Confucius himself: "Among my people, those who we consider 'upright' are [like] this: fathers cover up for [the crimes of] their sons, and sons cover up for their fathers. 'Uprightness' is to be found in this" (Slingerland, 2003: 147). Do we not hear echoes of the "amoral familism" debate in this? This was the thesis that civic cooperation and democratic institutions in Italy have been stunted by distrust of non-family members (Banfield, 1958; Cavalli, 2001). This thesis finds echoes in the 41 country study by Fogel (2006). My point here is not to beat up on family firms but to caution against abandoning objectivity for advocacy.

2. Skeptical about definitions

"Family" is not only ideologically loaded but fuzzy. We often think we know what it means and we do, in particular contexts, though it "covers a multitude of senses" (Pine, 1996: 223). No necessary and sufficient conditions universally define it, as to its structure or its

function (Harrell, 1997: 3-4; also Creed, 2000; Mitrani et al., 2009; this is also true of "marriage": Holy, 1996: 50). Would we be better off following Aldrich and Cliff (2003) and speak instead of "households"? No; households share equal definitional problems (Creed, 2000; Sanjek, 1996) but lack equal theoretical interest. "Why the household?" lacks the resonance of "why kinship?" Further, kinship ties relevant to firms cut across households.

"Family" is what Wittgenstein, cited in Needham (1971: 5) in reference to "kinship", called an "odd job word." (So also is "entrepreneurship"; see Hoy, 2010.) More formally, kinship is polythetic (Keesing, 1990), meaning (loosely) that boundaries between concepts are indistinct and no properties are necessary and sufficient for inclusion (a formal definition is in McKelvey, 1982: 44-45). As Sharma wrote in our present context, "no set of distinct variables separating family and non-family firms has yet been revealed" (2004: 5). Yet, Boyer (2003) argued, we ought not to be discouraged by this; after all, comparing polythetic categories is routine business for biologists (McKelvey, 1982). Still, we need to make a conscious effort not to expect monothetic, clearly designated boundaries between kinship related concepts.

3. Skeptical about the term "family business"

The slipperiness of "family" as a concept does not augur well for "family business." Doubtless we are stuck with this term. But do not hope to find within it an "essence", especially if that hope is based on a wish for clear delimitations of our specialty (cf. Chua, Chrisman, & Sharma, 1999). Whenever we use this term let's think instead of "business with significant kinship involvements" and leave as an empirical matter just exactly what these are. Looking closely at particular firms we see a wide range of involvements that are possible, many well beyond the boundaries of the firm (Anderson, Jack, & Drakopoulou, 2005; Steier, 2007). For example, the firm founded by Learned (1995) was capitalized by his parents' best friends, a role that remained emotionally salient years later when they received a (handsome) return on their money. This would not qualify the business as a "family" firm, yet its embeddedness in kinship was crucial. The widely-used dichotomy of "family firm" or "non-family firm" begs many questions about the nature and contexts of involvement. Therefore, a continuum (Astrachan, Klein & Smyrniotis, 2002) is an improvement,

particularly if it is based as in that example on multiple considerations. However, a continuum assumes two end points of a singular construct, which we do not know to be valid. It also under-specifies the possibilities by ignoring, for example, lineality or lack thereof, sex roles, quasi-kin ties, and kinship ties beyond the firm, direct and indirect.

4. Skeptical about theories

Based on their structures of topical attention, fields such as anthropology, history and law may bring more to the table for family business research than that most likely suspect, entrepreneurship (Stewart, 2008). Now and then family business studies draw on well-developed theories, as did Danes, Rueter, Kwon and Doherty (2002) and Nicholson (2008) (both of them based on branches of psychology). Yet habits of mind and convenience will win likely out, and management writers will go on re-inventing wheels, with half-baked theories piling up one upon the other (Blalock, 1984: 138-142; Mick, 2001). Further, as Boyer (2003) lamented, cross-disciplinary thinking has not been favored lately in anthropological work on kinship, even though kinship lends itself to multi-level analysis (also Keesing, 1990; Sousa, 2003). I cannot better his entreaty: "use the tools that work, shed the theories that do not, and pay no attention whatsoever to" disciplinary provenance (Boyer, 2003: 358).

5. Skeptical about kinship

I have tipped my hand above (and in Stewart, 2003): I do believe there is something to "kinship" (also Bloch & Sperber, 2002; Keesing, 1990; Steadman, Palmer, & Tilley, 1996). However, arguments to the contrary were not without value (e.g. Needham, 1971; for a summary, Barnes, 2006). Fortes (1969: 220-228) responded to such claims, over a half century old, which asserted that kinship is merely an epiphenomenon on the deeper foundation of the economy. He replied that "the kinship system, the economic system, and the religious system are analytically distinct from one another and irreducible to one another, yet so closely interdependent that they cannot be understood in isolation from one another."

Fortes' functionalism, reflected in language like "the religious system" fell into disrepute; Schneider (1995: 194) is surely right that

a relative neglect of kinship (in Anglophone anthropology) followed partly from a shift of interest from "structure" to "practice." Fortes' formulation is useful nonetheless, as it raises a central question for family business studies: what is the relationship between kinship and business activity? We could postulate that *in some contexts* the one is reducible to the other. For example, in the economy-to-kinship direction, "economic success can reinforce and even create family sentiments" (Creed, 2000: 338, in reference to family firms). The reverse can also obtain when economic practice is enacted through kinship ties for kinship purposes. At the least, kinship and business may be mutually constitutive (de Lima, 2000; Holy, 1996: 114).

Fortes' particular response also attempted to answer another fundamental question for kinship-linked business: if there is an irreducible quality to kinship, what is it? His widely-cited reply was that the classifying work of "kinship concepts, institutions, and relations... is associated with rules of conduct whose efficacy comes, in the last resort, from a general principle of kinship morality that is rooted in the familial domain and is assumed everywhere to be axiomatically binding. This is the rule of prescriptive altruism which I have referred to as the principle of kinship amity" (Fortes, 1969: 232). Corollaries of this notion have been added; for example, that kinship morality refers to the deepest moral values of a culture (Bloch, 1971; Keesing, 1990) and that kinship ties uniquely have a long-term resilience (Bloch, 1973; Creed, 2000). As noted above regarding variation in emotional tenor, these arguments do not imply that all empirically observed kinship ties share these qualities.

If there exists, with variation, a "quintessentially and inalienably binding" quality to kinship ties (Keesing, 1990: 160), why might this be? This question is relevant for family firms. It could direct us to answers as to the ubiquity of kinship involvement and to the reasons for actions that appear to be at odds with economic logic (Astrachan & Jaskiewicz, 2008; Chrisman et al., 2010). One set of answers to these questions draws on evolutionary psychology and adduces "evolved psychological dispositions" such as kin altruism (Bloch & Sperber, 2002: 728; Nicholson, 2008). Another adduces the "biologically based phenomenon" of attachment behavior (Freeman, 1973: 113; also Keesing, 1990) and neoteny (the prolongation of dependence on adults; Fraley, Brumbaugh, & Marks, 2005). "It is to attachment

behavior and the primary bond," Freeman (1973: 115-116) argues, "that we can trace both the 'axiom of amity' and the fact that kinship is [not only] inescapably binding [but also a locus of] rivalries and latent hostilities... [and hence of] ambivalence."

Freeman attributes ambivalence to the necessary imperfection of the primary bond, as perceived by the infant. Another explanation, found in Fortes (who also recognized the ubiquity of tensions and ambivalence; 1969: 237-238) is resistance to having to freely share, especially in contexts of rivalry for succession. Peletz (2001) develops this theme by noting that the very prescription of living up to a culture's deepest values generates ambivalence when people feel they are not living up to expectations. As he argued, "kinship is heavily freighted with moral entailments that are often burdensome or impossible to fulfill" (Peletz, 2001: 415). This source of ambivalence has been noted in the context of family firms (Astrachan & Jaskiewicz, 2008). Apparently, that which makes us most ambivalent, not just that which we endorse most freely, can also be a profound source of motivation.

5a. Skeptical about kinship as culture – only

As a side-bar I offer a context for the paper below by Harold Scheffler. Scheffler has had a distinguished career as a kinship theorist. However, you will see that he argues against the fashion of referring to "gender" when "sex" is meant – or should be. You may well wonder, why this topic? I include it for its intrinsic importance and as a counter to and warning about recent anthropological fashions. These fashions reflect a retreat from viewing kinship in terms of social relations, culture, biology and personality (the four Parsonian levels) to only culture *sui generis* (Sousa, 2003). Related to this shift was that from an anthropology of erudition admixed with science to a mode of humanities marked by "an extreme particularism and an extreme relativism" (Sousa, 2003: 295; also Boyer, 2003). An influential figure in the retreat from biology – or even social relations – was David Schneider; uncritical homage to Schneider's work is a sign that one might be leaving the world of science for scholasticism (see Hunt, 2003: Chap. 2). Schneider was clear on his disregard for data (Schneider, 1995: Chap. 10; for his ultra-Parsonianism – greater than Parsons himself – in considering culture and culture alone, compare Feinberg, 2001; Kuper, 1999; 2003; Parsons, 1951: 541; Williams,

2005). Scheffler, an early critic of Schneider (Scheffler, 1976), tackles in the following paper a premise of recent kinship studies, in which "gender was opposed to sex [with the same rationale] as culture was opposed to race" (Kuper, 2003: 333).

6. Skeptical about scholarly progress

Miner and Sharma (both in this volume) are doubtless correct that family business research should, and will, improve in the scholarship of "discovery," which is to say basic research. We can only hope that as it does this it manages to avoid the publishing habits of the more established fields. For example, I am all in favor of "discoveries," or empirical findings, but must they be buried in jargon? The ratio of justification to actual findings is getting way out of hand in the "better" journals. Why can't scholars simply state what they set out to learn, how they went about it, what they found, and what that seems to mean? Why can't we be more like Barth (1967) for example.

Must there be endless theoretical "framings" that often bear minimal connection to the empirical work itself? Should I blame ASQ for this? (It seems too widespread a practice for that.) And please, can we avoid patched-together metaphors, often some form of "capital", as a substitute for theory? Must we even be so enamored of theory? How many good theories do we have? Just because something appears in print does not make it any good. It might just be convenient; a case in point is the voluminous citations of Hofstede's work (over 7,500 in the SSCI for *Culture's Consequences* alone), which filled a need for comparative researchers but was deeply flawed (McSweeney, 2002). And if we want theory, could we not look for it in long-established fields that might have more to say about our interests?

Perhaps we should be more content with mere empiricism at least until we observe more, describe more, and measure more. At present, we lack the data to begin to answer the question implicit in Wallman (1975): under what circumstances (with what contingencies) is kinship a resource, a hindrance, or an irrelevance? Further, (Rutherford, and Stewart & Hitt, both this volume) how do kinship and business interconnect in the lived experiences of people "on the ground"? Until we have answers to these sorts of questions, I question how much relevance we can achieve.

7. Skeptical about research relevance

I have heard the well-meaning advice that good research must be "grounded in theory". That metaphor seems to me peculiar. Would it not be better to "ground" our work in questions that matter to the people we study? And would our answers not be more convincing if we actually observed "kinship" or "family" in action, rather than treating them as black boxes (Stewart & Hitt, this volume)? Also, must we emulate the self-referential quality of too much prestigious writing (that is to say, in-group- referential, understandable only by those who have read the works of three or four loosely cited authors)? In short, to be more relevant as scholars we must also be better as writers and better as scholars.

8. Skeptical about finding a university niche

Anne Miner (this volume) raises most directly the prospect that the family business field might not achieve its potential because it might not develop sufficient traction within the research university. This is not to say that it will not develop as a scholarly field and increasingly find academic acceptance; I think we both expect it will. Rather, I see two serious challenges. The first is that there might not be sufficient demand from students for family business courses. As Poza (this volume) points out, the fact that many of our students will in due course join family firms will not help us if they fail to foresee this while still in school. Second, Hoy (this volume) is surely right in advocating for infusing family business and entrepreneurship throughout the curriculum. However, this is easier to do for entrepreneurship, which is widely recognized if not well understood, than for family business. Moreover, following Aldrich and Cliff (2003), in the broadest sense family business is a subset, a very large and unrecognized subset, of the field of business and its environment, which more narrowly goes by the term business and society. This is a respectable field but unfortunately marginalized within the business school academy.

A solution, if there is one, is advanced in the papers by Hoy and by Treviño- Rodríguez (both this volume). In order to generate support within our institutions we need to engage in mutually productive, ongoing relationships with practitioners of various sorts. As Miner (this volume) has hinted, most such efforts to date have been

incidental to the university's core missions of teaching and research. With few exceptions (such as, I believe, Stetson University) they have also seldom included the parents of potential successors – our students. The problem with my prescription of building alliances and improving the field is that it places family business scholars in the same position entrepreneurship scholars were in a couple decades ago: playing too many roles for their own scholarly good.

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